Wendell G. Gilliard

District No. 111 - Charleston County Post Office Box 31641 Charleston, SC 29417

## Committee:

Medical, Military, Public and Municipal Affairs, 3<sup>rd</sup> VC



## House of Representatives

State of South Carolina

328-B Blatt Building Columbia, SC 29201

Tel. (803) 212-6793



JAN 1 4 2019

PSC SC CLERK'S OFFICE

January 14, 2019

TO: South Carolina Public Service Commissioners

Dominion Energy, Inc. spent approximately \$1 million in an attempt persuade the people of South Carolina on why a merger with SCANA, an S.C.-based corporation, would be of benefit to them. In a January 3rd, 2018 conference call with investors, Dominion Chief Executive Tom Farrell stated that the merger with this rebate would "provide substantial, immediate and ongoing relief to SCANA's electric customers." This proposal estimated that customers would get an average \$1,000 rebate payment and a percentage reduction in their power bills.

In reality, as reported by the media, the proposal approved last year did not actually include the average \$1,000 rebate to South Carolina customers. The approved plan included a small cut of \$22 a month; however, a part of those savings came from money already owed to South Carolinians due to federally passed tax cuts. I do not believe this action represents the transparency owed to the citizens of South Carolina.

Furthermore, after utilizing an estimated million-dollar advertising campaign to sell their proposal to South Carolinians, we have yet to be provided an explanation on why customers have not received the average \$1,000 rebate that was advertised.

I have supported many of the S.C. Office of Regulatory Staff's recommendations and their push for deeper rate cuts. Under the Regulatory Staff's proposal, customers over the next twenty years will pay roughly \$1,600 more for the two unfinished reactors under the Dominion proposal approved by the PSC. I believe that when Dominion honors its original \$1,000 average rebate to customers, it will in turn be honoring its leadership's pledge to "provide substantial, immediate and ongoing relief to SCANA's electric customers."

Therefore, in addition to the recommendations already stated by the PSC, including

- Not charging SCE&G's customers for the \$180 million cost of buying a natural gasfueled power plant in Gaston, purchased to replace power that would have come from the nuclear reactors
- Keeping SCE&G's headquarters and day-to-day operations in Cayce
- Absorbing the legal expenses associated with the merger and the nuclear project's abandonment, not pass them along to ratepayers,

I am asking the PSC to require Dominion Energy, Inc. to honor its original pledge of \$1,000 average rebate to SCE&G customers as stated in the company's 2018 public advertisement campaign.

Sincerely,

Wendell G. Gilliard State House District 111